

**CAPITOLA CITY COUNCIL
REGULAR MEETING MINUTES
THURSDAY, JUNE 25, 2020 - 7 PM**

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Member Ed Bottorff: Remote, Council Member Jacques Bertrand: Remote, Council Member Sam Storey: Remote, Mayor Kristen Petersen: Remote, Vice Mayor Yvette Brooks: Remote.

2. REPORT ON CLOSED SESSION

3. ADDITIONAL MATERIALS

4. ADDITIONS AND DELETIONS TO AGENDA

5. PUBLIC COMMENTS

Ray Cancino, CEO of Community Bridges, commented on the City's budget.

Four public comment emails were read:

A member of the public asked for the upcoming Black Lives Matter protest to be moved from the public McGregor Park in order to protect the grass.

Leah Samuels, Human Care Alliance, stated her disappointment about the City's budget.

Bob wrote in support of the Meals on Wheels program. Sister Joan Darry also wrote her support for this program.

6. CITY COUNCIL / STAFF COMMENTS

Vice-Mayor Brooks encouraged the community to practice anti-racism and said she welcomes the upcoming protest.

Mayor Petersen thanked Vice-Mayor Brooks for her comments supporting the Black Lives Matter movement and spoke to the public's concerns about the upcoming protest. She expressed the significance of the protest and announced confidence it will remain peaceful.

Requested Items for Future Agendas:

1) Lifeguarding options on Capitola Beach now that county beaches are open (Vice-Mayor Brooks)

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7. CONSENT CALENDAR

MOTION:	APPROVE AND ADOPT AS RECOMMENDED
RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jacques Bertrand, Council Member
SECONDER:	Sam Storey, Council Member
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

- A. Consider Capitola City Council's June 3, 2020, Special Meeting Minutes and the June 11, 2020, Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Approval of City Check Registers Dated May 1, May 8, May 15, May 22 and May 29, 2020.
RECOMMENDED ACTION: Approve check registers.
- C. Consider a Resolution Calling the Election for November 3, 2020[560-10]
RECOMMENDED ACTION: Adopt a Resolution ordering an election, requesting Santa Cruz County Elections to conduct the election, and requesting consolidation of the Presidential General Election in the City of Capitola on Tuesday, November 3, 2020.
- D. Consider a Resolution Amending the Hourly and Seasonal Pay Schedule
RECOMMENDED ACTION: Adopt the proposed resolution amending the Hourly/Seasonal Pay Schedule and creating a Camp Capitola Assistant Coordinator position.
- E. Wharf House June Rent Waiver Request
RECOMMENDED ACTION: Approve the proposed resolution waiving June 2020, rent for the Wharf House Restaurant due to economic difficulties brought on by the COVID-19 pandemic.
- F. Consider a Resolution to Apply for a U.S. Economic Development Administration Grant
RECOMMENDED ACTION: Adopt the proposed resolution authorizing the City Manager to apply for a grant from the U.S. Department of Commerce, Economic Development Administration, for a revolving loan fund for participating jurisdictions in Santa Cruz County.

8. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Receive Update on the City's Pandemic Response
RECOMMENDED ACTION: Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and that there is a need to continue action.

City Manager Goldstein presented the staff report and highlighted the rising numbers of confirmed COVID-19 cases in the area.

Chief McManus provided an overview of Police operations for the coming July 4th holiday weekend.

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Councilmember Storey asked how face covering requirements will be enforced with the beach reopening.

One member of the public asked about lifeguards on Capitola Beach with the beach reopening.

MOTION:	MAKE DETERMINATION THAT ALL HAZARDS STILL EXIST
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bottorff
SECONDER:	Brooks
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

- B. Real Property Negotiations Easement Grant to Pacific Gas and Electric Company 420 Capitola Avenue, Capitola CA 951010 APN: 035-141-35 City Hall Property RECOMMENDED ACTION: Authorize the City Manager to negotiate the terms and execute an Easement Deed granting Pacific Gas and Electric Company a non-exclusive utility easement for installation of a new underground box and above ground cabinet and antenna on City owned property located at 420 Capitola Avenue, Capitola CA 95010, APN: 035-141-35, City Hall property.

Public Works Director Jesberg presented the staff report.

Councilmember Bertrand asked what would happen if the City eventually wants to use the proposed site for something other than the PG&E equipment. Director Jesberg responded that in that case, the City would have to pay a currently unknown amount to move the equipment to an approved location.

Councilmember Storey asked how likely it is that this solution would truly keep City Hall from being subject to power outages during public safety shutdowns. He also asked about the amount of the reconveyance PG&E would pay the City.

Councilmember Bertrand stated his preference for leasing the site for the equipment rather than losing control of it completely. A PG&E representative said the cost of maintaining the equipment makes owning the property a better option for their company.

There was no public comment.

Councilmember Bottorff thanked PG&E, Director Jesberg, and City Manager Goldstein for bringing this solution forward and said that the positives outweigh the negatives regarding the easement.

Councilmember Bertrand agreed and mentioned that several local businesses lost money during the previous public safety shutdowns and stated that this solution will benefit the entire community.

Mayor Petersen suggested that if the equipment box is painted, the Historical Museum Board, along with the Art and Cultural Committee, have a say in the design as the box will be directly in front of the museum.

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MOTION:	AUTHORIZE THE CITY MANAGER TO NEGOTIATE TERMS AND EXECUTE EASEMENT DEED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bottorff
SECONDER:	Bertrand
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

C. Consider a Resolution for the Levy of Capitola Village and Wharf Business Improvement Area Assessments for Fiscal Year 2020/2021[140-05]

RECOMMENDED ACTION: Conduct the public hearing and adopt the proposed Resolution levying the Fiscal Year 2020/2021 Capitola Village and Wharf Business Improvement Area (CVWBIA) Assessments and accepting the CVWBIA Annual Plan and budget.

Councilmember Storey recused himself.

Carin Hanna briefly discussed the current status of the Business Improvement Area.

Vice-Mayor Brooks asked for more information on the newly allowed outdoor dining setup in the Village. Anthony Guajardo, Mijo’s Taqueria, spoke on behalf of the BIA and explained that some businesses are doing well utilizing the new allowances while others are short-staffed and unable to implement the required protocols. In response to a question, Mr. Guajardo said that businesses are enforcing the face covering requirement with “no mask, no service” signs and refusing service to people not wearing masks. He also replied that he has not heard any complaints of heavier traffic than normal.

Chief McManus agreed that traffic congestion has not been as bad as originally thought.

Janelle spoke in public comment and asked if CARES Act funding could be used to assist businesses with the purchasing of outdoor tables.

Mayor Petersen said that a committee along with staff is considering how to best use CARES Act and CDBG funds, and that a portion will be reserved for business loans and grants.

Councilmember Bottorff said that the traffic will only increase now that the beach is open and asked that an express lane be considered if needed. He asked that this topic is discussed during the next COVID-19 update.

MOTION:	ADOPT THE PROPOSED RESOLUTION
RESULT:	ADOPTED [4 TO 0]
MOVER:	Bertrand
SECONDER:	Bottorff
AYES:	Bottorff, Bertrand, Petersen, Yvette Brooks
RECUSED:	Storey

D. Consider a Resolution Allocating the 2020/21 Road Maintenance and Rehabilitation Account Funds

RECOMMENDED ACTION: Adopt the proposed resolution allocating the 2020/21 Road Maintenance and Rehabilitation Account (RMRA) funds to engineering and construction of a pavement management program project.

Public Works Director Jesberg presented the staff report.

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Councilmember Bertrand asked about the County's Capitola Avenue sewer project and Director Jesberg confirmed that the street would be slurry sealed before the project's conclusion. Councilmember Bertrand urged the installation of a crosswalk on Clares Street. Director Jesberg said that pedestrian crossings can be funded in other ways, regardless of decisions made on this item.

Vice-Mayor Brooks asked about the number of projects proposed; Director Jesberg clarified that staff was asking for Council's priorities and would analyze the viability of the projects further. She also asked about the green bike lane projects.

Councilmember Bertrand discussed the intersection of 41st Avenue and Clares Street and Director Jesberg said that analysis had been done as part of the past Clares Street project.

There was no public comment.

Councilmember Bottorff thanked Director Jesberg for his work on this item and spoke his support for funding being used on repairs to the 42nd Avenue, Ruby Court area.

Councilmember Storey said that Fanmar should be included on the work list.

Councilmember Bertrand asked if this funding could be used to style Bay Avenue into more of a boulevard and was told that rehab only is covered not streetscape projects. Councilmember Bertrand explained that his highest concern lies in rehabilitating streets that see the most vehicle and pedestrian traffic; such as Clares Street and Bay Avenue.

The Mayor asked Director Jesberg if Council can give approval while leaving room for staff's discretion. Director Jesberg responded that staff will do further analysis on all listed streets.

Councilmember Bottorff gave support to staff's list of streets and said that though Fanmar is in bad shape, the street does not serve enough homes to warrant being added to the list. He confirmed with Director Jesberg that a rough estimate for repairing Fanmar would be near \$1 million.

Councilmember Bertrand agreed with Councilmember Bottorff.

Councilmember Storey said that Council should not ignore Fanmar because it proves expensive or difficult to repair.

MOTION:	ADOPT THE PROPOSED RESOLUTION WITH THE ADDITION OF FANMAR WAY TO THE ALLOCATION LIST
RESULT:	TIED [2 TO 2]
MOVER:	Brooks
SECONDER:	Storey
AYES:	Brooks, Storey
NAYS:	Bertrand, Bottorff
RECUSED:	Petersen

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MOTION:	ADOPT THE PROPOSED RESOLUTION WITH ALLOCATION LIST AS WRITTEN
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bottorff
SECONDER:	Bertrand
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

E. Approve the Plans, Specifications and Construction Estimate for the Flume and Jetty Rehabilitation Project

RECOMMENDED ACTION: Approve the plans, specifications, and construction estimate for the Flume and Jetty Rehabilitation Project; authorize the Public Works Department to advertise for construction bids and set the bid opening date for July 29, 2020, at 11:00 a.m.

Director Jesberg presented the staff report.

There was no public comment.

MOTION:	APPROVE THE PLANS, SPECIFICATIONS, AND CONSTRUCTION ESTIMATE
RESULT:	ADOPTED [4 TO 0]
MOVER:	Bottorff
SECONDER:	Bertrand
AYES:	Bottorff, Bertrand, Storey, Brooks
AWAY:	Petersen

F. Senate Bill 743 Implementation

RECOMMENDED ACTION: Adopt a resolution establishing City of Capitola CEQA Guidelines and a transportation threshold of significance of fifteen percent below the regional average Vehicle Miles Traveled (VMT) for purposes of complying with Senate Bill 743.

Community Development Director Herlihy presented the staff report.

Councilmember Bertrand asked questions about the application development and confirmed that the Santa Cruz County Regional Transportation Commission's model was used to develop the threshold.

Councilmember Storey commented that the change seems significant and complicated. He asked about the Capitola Mall project and how its existence as a transit center and the presence of affordable housing units would impact how it is regulated. He confirmed with the City Manager that the City will have the same level of discretion regardless of this new threshold, because a development agreement will be negotiated for this project.

Vice-Mayor Brooks asked that Council have authority when the thresholds of significance are updated.

Councilmember Bertrand confirmed that vehicle miles traveled is addressed in Capitola's general plan.

There was no public comment.

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MOTION:	ADOPT THE PROPOSED RESOLUTION
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Brooks
SECONDER:	Bertrand
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

G. Consider Approval of Memoranda of Understanding with Labor Groups and Adopt Salary Schedule for June 28, 2020 - December 26, 2020

RECOMMENDED ACTION:

1. Authorize the City Manager to execute the side letter agreements to existing Memoranda of Understanding (MOU) with negotiated changes from June 26, 2020, through December 28, 2020, for the following:
 - a. Capitola Police Officers Association (CPOA).
 - b. Mid-Management Employees' Bargaining Unit;
 - c. Confidential Employees' Bargaining Unit;
 - d. Police Captains
2. Approve changes to the Management Compensation Plan
3. Approve changes to City Manager Employee Contract
4. Adopt a Resolution approving the new salary schedule
5. Individually attest to receive the same salary reduction as employees

Mayor Petersen read the recommendation aloud, as required by state law.

City Manager Goldstein presented the staff report.

Two emails were received as public comment: one from Maura Herlihy asking that Council consider an alternative to layoffs, and one from ACE Labor Representative Ryan Heron questioning the specifics of the proposed layoffs.

There were two verbal public comments: one from Barbara Garret, Capitola PD, and one from Ali Clifford, Capitola Recreation, both imploring Council to find an alternative to the either-or of layoffs and an 8% pay decrease.

Councilmember Bottorff said that the decision is difficult and hopes that the City's revenue will recover in six months, when a renegotiation can take place.

Councilmember Storey acknowledged both Barbara and Ali and agreed that this was a difficult situation. He also said that all other staff groups came to an agreement on pay reductions.

Mayor Petersen agreed and said the pain and frustration of those who made public comment is justified. She acknowledged the difficulty of the current economic situation and commented that Community Grant recipients are also upset, as are local business owners and residents. She said that all of Council feels the weight of this decision.

Councilmember Bertrand recognized that it is particularly hard for those being laid-off, and acknowledged those making sacrifices during this hard time.

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MOTION:	1) AUTHORIZE CITY MANAGER TO EXECUTE SIDE LETTERS WITH LISTED GROUPS; 2) APPROVE CHANGES TO MANAGEMENT COMPENSATION PLAN; 3) APPROVE CHANGES TO CITY MANAGER CONTRACT; 4) ADOPT PROPOSED RESOLUTION; 5) ATTEST TO RECEIVE SAME SALARY REDUCTION AS EMPLOYEES
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bottorff
SECONDER:	Bertrand
AYES:	Bottorff, Bertrand, Storey, Petersen, Brooks

9. ADJOURNMENT

The meeting was closed at 9:53 p.m.

APPROVED JULY 23, 2020

DocuSigned by:
Kristen Petersen
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Kristen Petersen, Mayor

ATTEST:

DocuSigned by:
Chloe Woodmansee
B3B746FAACD54BA...
Chloé Woodmansee, Interim City Clerk